Contract No.NS1-CON-2022-024

KARIN KOMERC MD DOO
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VETERNIK, NOVI SAD

Civil and Track Construction (Lot NS-I) Project for Modernization and Reconstruction of Hungarian-Serbian Railway Connection in the Territory of the Republic of Serbia for Section Novi Sad-Subotica-Border (Kelebia)

Engineering Construction

Subcontract

Contractor:

KARIN KOMERC MD d.o.o. Veternik

Subcontractor:

EXTRA - AUTO TRANSPORT DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU VRBAS

Signed in: Novi Sad

Part I Contract Agreement

Contractor (full name): KARIN KOMERC MD d.o.o. Veternik

Subcontractor (full name): EXTRA - AUTO TRANSPORT DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU VRBAS

In accordance with the relevant Serbian laws and in the principles of equality, voluntariness, fairness, and good faith, both parties have reached an agreement as follows through consultation on the construction of Works within the range of a total length: Km112+982.71 to Km114+100.00 , of the Civil and Track Construction (Lot NS-I) Project for Modernization and Reconstruction of Hungarian-Serbian Railway Connection in the Territory of the Republic of Serbia for Section Novi Sad-Subotica-Border (Kelebia).

I. Overview of the Works

1. Name of the Civil and Track Engineering (Lot NS-I) Subcontract: Civil and Track Construction (Lot NS-I) Project for Modernization and Reconstruction of Hungarian-Serbian Railway Connection in the Territory of the Republic of Serbia for Section Novi Sad-Subotica-Border (Kelebia).

2. Name of the Works of this Contract: Works within the range of a total length: Km112+982.71 to Km114+100.00 of Civil and Track Construction (Lot NS-I) Project for Modernization and Reconstruction of Hungarian-Serbian Railway Connection in the Territory of the Republic of Serbia for Section Novi Sad-Subotica-Border (Kelebia).

3. Location of the Works: Serbia.

4. Scope of the Works: All the construction works set forth in the WSD, Subcontractor"s Offer and construction drawings such as Substructure

II. Time for Completion

The planned commencement date shall be subject to a notice from Contractor.

Time for Completion: 16 calendar months

During the Time for Completion of the Works, delays that may affect the Time for Completion caused by Serbian legal holidays, various weather reasons, traffic control, and site status have been taken into consideration when the Contract Price was determined. Subcontractor is not entitled to claim for the Time for Completion and associated cost for such reasons.

III. Quality Standards

The quality of the Works shall conform to the quality standards as specified in the Civil and Track Engineering (Lot NS-I) Subcontract as well as to the standards of the Technical Specification for Interoperability (TSI).

IV. Contract Price and its Type

1. The Contract is a fixed lump-sum price contract. The Contract Price is USD 9.957.882,00 (tax-exclusive) (in words: NINE MILLION NINE HUNDRED FIFTY SEVEN THOUSAND EIGHT HUNDRED EIGHTY TWO DOLLARS).

On Contract price shall be applied additional discount in amount of 2% (in words: two percent), so the final Contract price is USD 9.758.724,36 (tax-exclusive) (in words: NINE MILLION SEVEN HUNDRED FIFTY EIGHT THOUSAND SEVEN HUNDRED TWENTY FOUR and 36/100 DOLLARS). VAT shall be calculated according to the Serbian VAT law.

Additional discount shall be expressed in every Interim Payment Certificate and in Final Payment Certificate.

V. Composition of Contract Documents

The documents constituting the Contract shall be mutually explanatory. Priorities for explaining contract documents are as follows:

(1) The Contract Agreement and its annexes;

(2) The Contract terms;

(3) Bidding documents and its clarifications & supplements;

(4) Technical Standards and Requirements;

(5) Drawings;

(6) the Civil and Track Engineering (Lot NS-I) Subcontract

(7) Commercial Contract;

(8) Other contract documents.

The above Contract documents include the supplementation and amendment thereto made by the parties hereto and to be made during the performance of this Contract. For documents in the same category, the one signed later shall prevail.

Other documents forming an integral part of the Contract include, without limitation, the relevant rules and regulations and other normative documents formulated by the Contractor for the implementation of contract management.

VI. Applicable Laws and Regulations

1. Compliance with laws and regulations

During the implementation of the Contract, both parties shall comply with the laws and administrative regulations promulgated by the Serbian government, as well as all rules and regulations issued by Contractor for management.

2. Prevention of bribery and unfair competition

In order to facilitate the smooth implementation and proper performance of the Contract, neither party shall ask for, accept, provide or give from or to the other party or the other party's managers or other relevant personnel any benefits other than those agreed upon herein, including but not limited to explicit and hidden rebates, cash, shopping cards, physical goods, negotiable securities, travel or other non-material benefits. Both parties shall strictly prohibit their own managers from engaging in any commercial bribery. Where one party or its manager causes losses to the other party due to its violation of the above provisions, such party shall be liable for damages.

VII. Undertakings

1. The Subcontractor undertakes to complete the construction of the Works in accordance with the laws and the Contract and to perform its obligations of the contracted Works during the Defect Notification Period and Warranty Period.

2. The Subcontractor undertakes to perform all obligations of the Contract hereunder in connection to the contracted Works, except those expressly agreed herein to be performed by the Contractor. The Subcontractor undertakes to be jointly and severally liable with the Contractor to the General Contractor for the quality and safety of the contracted Works.

VIII. Miscellaneous

1. The Articles in the Agreement shall have the same meanings as given in Part II Contract terms.

2. The Agreement is signed in Novi Sad, Serbia on 27.07.2022., and shall come into force after being signed by representatives of both parties. The Agreement is made in 6 copies having the same legal effect, with 4 copies held by the Contractor and 2 copies held by the Subcontractor.

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Contractor: (official seal)

Subcontractor: (official seal)

Legal representative or its authorized agent:

(Signature)

Legal representative or its authorized agent:

(Signature)

Organization code: 20009233

Address: Živorada Petrovića 8

Postal Code: 21203

Legal Representative: Krste Dubroja

Authorized agent: _____

Tel.:+38121823800

TIN.: 103726184

E-mail elektronskaposta@karinmd.com

Bank of Deposit: _____

Account:□□□□□□□□

Organization code: 20330279

Address: Maršala Tita 56

Postal Code: 21460

Legal Representative: Marko Sokanović

Authorized agent:

Tel.: +38125720701

TIN.:105171908

E-mail: office@extraautotransport.com

Bank of Deposit:

Account:□□□□□□□□